GOVERNMENT OF INDIA
AGRICULTURE AND FARMERS WELFARE
LOK SABHA

STARRED QUESTION NO:331
ANSWERED ON:22.12.2015
Income of Farmers
Mahto Dr. Banshilal;Shinde Dr. Shrikant Eknath

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) whether the Government is aware that income from farming is insufficient to cover the household expenditure of farmers in the country;

(b) if so, the details thereof and the reasons therefor;

(c) whether the Government has conducted any 'Situation Assessment Survey of Farmers' to calculate the average annual/monthly income of farmers and ascertain their socio-economic conditions and if so, the details and the outcome thereof, State-wise;

(d) whether some leading farmer unions of the country have recently demanded constitution of an income commission to suggest ways and means to ensure a minimum income for farmers and if so, the details thereof and the action taken by the Government thereon; and

(e) the institutional mechanism put in place with regard to marketing and insurance of crops to enable the farmers to cope with the multitude risk involved in farming and ensure adequate farm income?

Answer

MINISTER OF AGRICULTURE AND FARMERS WELFARE
???? ??? ????? ?????? Â½Ã£Ã¢Â¨Ã£Ã£Ã¨ (SHRI RADHA MOHAN SINGH)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 331 DUE FOR REPLY ON 22ND DECEMBER, 2015.

(a) to (c): The National Sample Survey Office (NSSO) conducted Situation Assessment Survey of Agricultural Households during its 70th Round in rural areas of the country for the reference period of the agricultural year July 2012 to June 2013. The survey provides a comprehensive socio-economic study of the agricultural households covering, level of income and expenditure, farming practices, possession of productive assets, resource availability, awareness, indebtedness, etc. As per the results of the Survey, at all-India level the average monthly income from various sources and consumption expenditure per agricultural household, during the agricultural year July 2012-June 2013, was estimated at Rs.6426/- and Rs.6223/-, respectively. State-wise details of average monthly income and consumption expenditure per agricultural household is given in Annexure-I.
(d): The Government receives representations from time to time on various issues concerning agricultural sector. In order to protect the interest of farmers, Government of India is implementing a number of schemes/programmes to supplement the efforts of State Governments. Some of the recent initiatives taken by the government to help farmers in increasing production, reducing cost of cultivation and to improve profitability of the agricultural sector are at Annexure-II. Furthermore, keeping in view the increasing costs of production and other relevant factors, the Government based on the recommendations of CACP, has progressively increased the Minimum Support Price (MSP) for major agricultural commodities so as to ensure remunerative prices to the farmers.
Contdâ€¦2/-

(e): To improve the institutional mechanism for marketing of agricultural produce, States/UTs have been advised to amend their respective State APMC Acts on the lines of Model APMC Act, 2003. The Model Act provides for direct marketing, contract farming, farmers/consumer markets, setting up of markets in private and cooperative sectors, e-trading etc. In order to further its objective of putting in place an institutional arrangement to ensure transparency in transactions and better price discovery and thereby reasonable gains to the farmers, Government has approved a Central Sector Scheme "Promotion of National Agricultural Market (NAM) through Agri-Tech Infrastructure Fund (ATIF)". The Scheme provides for a pan-India electronic trading portal which seeks to network the existing APMCs and other market yards to create a unified national market for agricultural commodities.
In addition, Government ensures remunerative price to the farmers by offering to procure their produce at MSP fixed by the Government. However, farmers are free to sell it to Government agencies or in the open market as is advantageous to them. In order to improve the procurement mechanism for pulses & oilseeds, in addition to the procurement of cereals and coarse cereals, Government has also designated Food Corporation of India (FCI) as the nodal agency for procurement of pulses & oilseeds for the agricultural year 2015-16. Small Farmers' Agribusiness Consortium (SFAC) and National Agricultural Cooperative Marketing Federation of India (NAFED) also supplement the efforts of FCI on the procurement of pulses and oilseeds.
Government has also been implementing Crop Insurance Schemes since 1985 in order to provide insurance coverage and financial

support to farmers, including small
Contdâ€¦3/-

and marginal farmers, in the event of failure of any of the notified crops as a result of non-preventable natural calamities, pests & diseases, adverse weather conditions and to help stabilize farm income particularly in disaster years. At present, two crop insurance schemes, namely National Crop Insurance Programme (NCIP) with its three component schemes (i) Modified National Agricultural Insurance Scheme (MNAIS), (ii) Weather Based Crop Insurance Scheme (WBCIS) and (iii) Coconut Palm Insurance Scheme (CPIS) and National Agricultural Insurance Schemes (NAIS) are being implemented in the country to provide insurance coverage against the crop losses of insured farmers. The schemes are being implemented on 'Area Approach' basis and assistance is being provided to insured farmers only. Selection of the scheme(s), area(s) and crops covered under the Schemes alongwith implementing insurance companies are being decided by the concerned State Government. To encourage farmers, premium subsidy @ 10% to small and marginal farmers only under NAIS, upto 75% under MNAIS, upto 50% under WBCIS and upto 75% under CPIS is provided to all participating farmers and the financial liabilities under the aforesaid schemes are equally shared by the Central Government and the concerned State Government.